

HOUSE BILL 1223

By Hicks

AN ACT to amend Tennessee Code Annotated, Title 7,
Chapter 53, Part 3, relative to industrial
development corporations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-53-305, is amended by adding the following language as a new, appropriately designated subsection:

() Notwithstanding any other law to the contrary, an industrial development corporation organized by a municipality may enter into a payment in lieu of ad valorem tax agreement or lease for a period of more than five (5) years if:

(1) The county in which the municipality is located approved entry into a payment in lieu of ad valorem tax agreement or lease with respect to the property at issue; or

(2) Either the industrial development corporation or the municipality that organized the industrial development corporation agrees to pay the county each year that a payment in lieu of ad valorem tax agreement or lease is in effect, after the initial five (5) years, an amount equal to the amount of real property tax that would have been assessed to the property if the agreement or lease was not executed.

SECTION 2. Tennessee Code Annotated, Section 7-53-305(h), is amended by deleting the language "may only enter into a payment in lieu of ad valorem tax agreement or lease if" and substituting instead "may only enter into a payment in lieu of ad valorem tax agreement or lease for a period of five (5) or less years if".

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.